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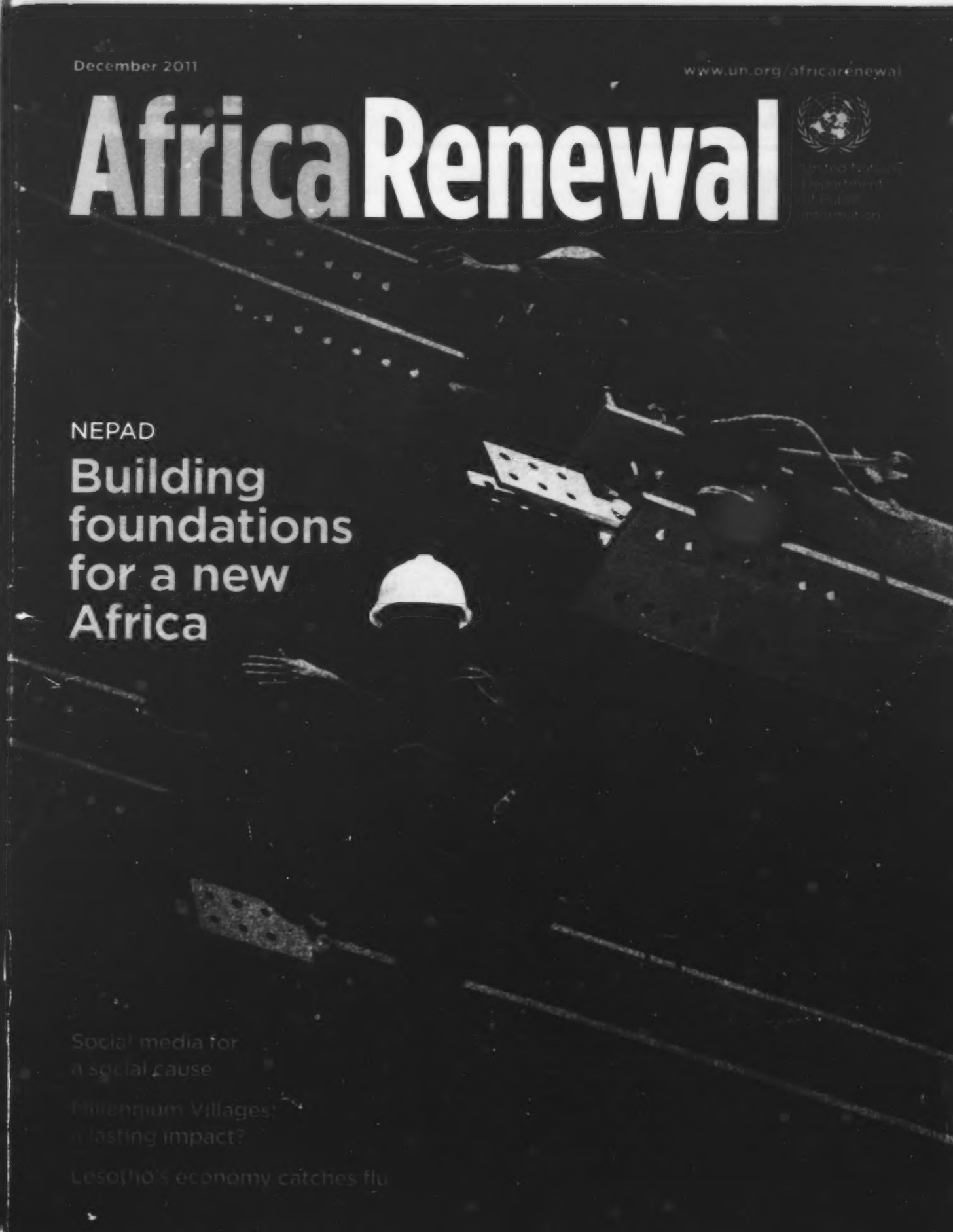

NEPAD

Building foundations for a new Africa

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Social media for a social cause

Leading by example, Kenyans mobilize support for drought victims

By Kingsley Ighobor

Julie Gichuru is an award-winning Kenyan television journalist rated by *Forbes* business magazine in 2011 as one of the "20 youngest powerful women in Africa." Ms. Gichuru has a reputation as an engaging TV host, stirring up her audience against corruption and sometimes poking fun at the vagaries of life.

In July, as thousands of starving people walked across the border from Somalia into the Dadaab refugee camp in northeastern Kenya, there were also thousands of Kenyans dying of drought in that region, as well as in Turkana, Pokot and Baringo. Ms. Gichuru and other journalists covered that reality. "I went to the camp and saw children just screaming. It was deafening. Some had just died. Some were about to die, and I saw parents standing helplessly, just preparing to dig another infant grave," she told *Africa Renewal*.

The interventions of Ms. Gichuru and others have been acclaimed for both the sheer effort — more than $67 million donated so far by ordinary Kenyans and some companies — and the tools with which the mobilization has been carried out: Facebook, Twitter, mobile phones, television, radio and newspapers. Kenya's media are awash with stories of the drought-stricken and of the government's slow response to those living in the harsh semi-desert area.

A Somali refugee registers with her thumbprint at the Dadaab camp in northeastern Kenya: Kenyans have also used social media and other online tools to raise awareness of and support for Kenyans who have also been stricken by famine conditions. Panos / Sven Torfinn

Reactions to the various media reports were swift and spontaneous. The Media Owners Association, Safaricom (one of the country's leading mobile phone companies) and the Kenya Red Cross continue to rally donations and other relief materials under the aegis of Kenyans for Kenya, an association officially launched in late July.

Collaborative efforts

"The response by Kenyans was overwhelming and humbling, hitting KSh19 million through M-Pesa [mobile banking] contributions on the second day," reports *The Standard*, a leading Kenyan newspaper. Ms. Gichuru says that they collected the equivalent of about $10 million within two weeks.

Ordinary Kenyans can make contributions of as little as KSh10 (about 10 US cents). "Through Facebook and Twitter we sensitized the urban affluent. Through mobile phones we reached people in the rural areas. And television, radio and print publications just reinforced the message to the general population," says Ms. Gichuru. She told the

story of a domestic worker who told her employer, "Just take half of my monthly income and send it to feed some dying babies."

M-Pesa (Swahili for "mobile money") helps those in remote parts of the country make financial payments, such as for electricity, water and even normal day-to-day purchases. This is the first time the M-Pesa service, launched by Safaricom, has been used extensively in support of a major humanitarian cause.

How does it work? Safaricom assigned a dedicated account number that people with mobile phones can easily remember (111 111). Subscribers pay into their M-Pesa accounts, much as they do when adding to their phone calling credits. To make a donation they simply enter the amount and send it to the dedicated account number. Both the sender and the recipient promptly get SMS messages confirming the transaction. The ease of transactions has contributed to the project's success.

Social media frenzy

Contributors also get information on other donations and relief interventions. The Kenyans for Kenya website has a ticker listing incoming contributions. The credibility of the main implementing partner, the Kenya Red Cross, further encourages people to donate. "Once people knew who was going to spend the money, they felt more comfortable to contribute," says Ms. Gichuru.

Before Kenyans for Kenya there was Ushahidi, the platform set up — again by Kenyans — to map reports of post-elections violence in 2007. The model was so successful that it was replicated in Haiti and Japan to aid relief work after earthquakes [see *Africa Renewal*, April 2010].

The *International Business Times* reports that there are 20 tweets a minute on the crisis in the Horn of Africa, coming mainly from freelance fund seekers. The UN World Food Programme (WFP) has launched the WeFeedBack initiative to rally support for hungry people in various parts of the world. The WFP and YouTube collaborated to record and promote the song "A Step for Mankind," expected to trigger online record sales to aid the Horn of Africa.

Save the Children, a UK charity, also launched a social media campaign in August and hopes to get a global audience of up to 750 million to view a short film of the effects of famine in the Horn. Popular singers such as Justin Bieber, Eminem, Lady Gaga, Jay-Z and others have promised to promote the video through their individual social media platforms.

Sense of empowerment

Daudi Were, a manager for Ushahidi, cites the increasing popularity of social media in Kenya. First is the demographic factor. There are 20 million people between the ages of 15 and 65 in Kenya, and about 22 million mobile phone SIM cards are in circulation. The second factor is the way various social media are interconnected. People use mobile phones to tweet, send SMS messages and access their Facebook pages.

Mr. Were insists that although social media platforms may be considered urban tools, "African cities have a huge influence on the rest of the country." He maintains that "people are able to send SMS messages to radio and TV stations from the rural areas, even if they are unlikely to listen to the messages when they are aired."

The Kenyans for Kenya initiative marks the first time in Africa that ordinary people have organized in this way to save lives. People see it as a cause worth paying for. In the past, donations to causes came almost exclusively from wealthy organizations and individuals, Ms. Gichuru notes. But not anymore. "In our campaign, most donations are coming from ordinary people." That response has shamed companies into also donating.

'Not waiting for leadership'

The success of the effort shows that citizens can organize on their own. "People don't feel helpless, as they have in the past," says Ms. Gichuru. "The social media provide platforms where people discover that there are hundreds or thousands of others feeling as they do, and the platforms help them agree on a course of action."

This capacity is causing ripples in government circles. "Right now, there is concern in government," notes Ms. Gichuru. "It's as if government people are saying, 'If the people can do this, it means we will become irrelevant at some point'." For Mr. Were, the fact that ordinary people are taking the initiative to organize is itself a response to poor political leadership. "African citizens are not waiting for leadership from government. Already they feel a sense of disconnect, and they want to take their destinies in their hands."

Mobile phone shop in Nairobi, Kenya: Famine relief advocates used mobile phone communications to solicit contributions from both affluent city residents and people in rural areas. Alamy Images / Thomas Cockrem

Africa's famine response — too little, perhaps too late

'Africa should not wait' for others to act

By Kingsley Ighobor

Jerry Rawlings, a former president of Ghana and now the high representative for Somalia for the African Union (AU), visited a number of African capitals in July and August to drum up support for a pan-African conference on the famine in the Horn of Africa. "I believe African leadership will rise to the challenge," he said over and over as he lobbied heads of state to attend the conference. But only four (from Ethiopia, Equatorial Guinea, Djibouti and Somalia) actually came to the 18 August gathering in Addis Ababa, Ethiopia.

The low turnout did not dampen Mr. Rawlings's enthusiasm. In his forceful keynote address he urged Africa to convince "the rest of the world that we are not incapable of supporting our own." African countries promised $50 million and the African Development Bank (ADB) pledged $300 million.

More than 12 million people are facing severe famine in the Horn of Africa [see *Africa Renewal* online]. Somalia and the other countries in the region need at least $2.5 billion to prevent more deaths, according to the UN World Food Programme. By August, before the AU donor conference, only 45 per cent of that amount had been received. With the $350 million raised at the AU meeting and with other contributions, the pledges had reached 77 per cent by mid-November, according to the UN's Food and Agriculture Organization (FAO).

Late and inadequate

FAO Director-General Jacques Diouf commented in September that the international community's response has been "delayed and inadequate." Yet he was also encouraged by a mid-September meeting between Horn of Africa governments and representatives of the ADB and the World Bank, at which the banks pledged an additional $500 million for the region's long-term development.

There is also ongoing criticism of African leaders' slow response to the crisis. The pledging conference in Addis Ababa had been postponed once to allow leaders time to mobilize funds. Activists maintain that the $50 million pledged by African governments is too little and that most of it is in the form of "in kind" assistance, while cash would give greater flexibility. Nor is there enough information about how the governments will provide the assistance.

'Embarrassing'

Nicanor Sabula of Africans Act 4 Africa, a coalition of civil society organizations, described the poor turnout at the donor conference as "disappointing and embarrassing." He added that the response "starts to reinforce [the image of] the AU as a club of presidents."

The criticisms, however, do not take into account that some countries with large refugee populations, such as Kenya, are providing other forms of relief. Kenyan Prime Minister Raila Odinga announced in July that as of that point his government had spent $110 million on food for the more than 1 million refugees now in Kenya.

Mr. Rawlings is now also actively canvassing the private sector to support relief efforts. While African governments pledged only $50 million at the Addis Ababa meeting, ordinary Kenyans, with support from private businesses, raised more than $60 million in less than three months. Kanayo Nwanze, head of the UN's International Fund for Agricultural Development, commented: "Africa should not wait for the international community to solve its problems."

More than 12 million people face severe famine in the Horn of Africa: They are looking for help not only from non-African donors, but also from African governments and citizens. Alamy Images / Feijo Riemersma

Millennium Villages: a lasting impact?

Aid promotes rapid gains, but dependence may be hard to break

By Bill Hinchberger
Sauri, Kenya

Haruni Odhiambo Nyariru is making an addition to his home. Martin Omondi Onyango bought a cow and a goat, covers his younger brother's school fees and is building a house for his mother. Now that she is harvesting 30 bags of maize (of 90 kilogrammes each) instead of 12 from her two acres, Wilfreda Ongonda Ochieng says that her family is eating better and that she has a surplus to sell. These farmers attribute the small but real changes in their lives to gains made since the advent of the Sauri Millennium Villages Project in western Kenya.

For their higher yields and incomes, they credit new seed varieties and fertilizers. "I used to apply fertilizer before, but since the Millennium project, we have gotten a real boost from the fertilizers," says Wilfreda, a 45-year-old widow who heads a homestead of 11 people, counting some of her children and a few in-laws.

Launched in 2004, the Sauri project was the first of what would grow to become 14 clusters of Millennium Development Villages (MDVs) in 10 countries in sub-Saharan Africa. The MDVs receive concentrated support from a slew of foundations and companies — including an A-list of brand names like Sumitomo, which provides mosquito nets, and Ericsson, which donates mobile phones to health workers and others [see *Africa Renewal*, July 2008].

The effort is led by a triumvirate comprised of the UN Development Programme (UNDP), the New York–based non-profit Millennium Promise and the Earth Institute at Columbia University, also in New York. The village clusters are meant to serve as pilot projects that can be expanded and repeated elsewhere as part of the broader effort to attain the eight Millennium Development Goals (MDGs) by 2015, as set by a UN summit in 2000. The MDGs include specific targets for things

A farmer and his sons inspecting their sunflower crop: The Sauri Millennium Villages project has helped farmers diversify their production. Bill Hinchberger

Bill Hinchberger is a freelance journalist and communications consultant based in Paris, France. He visited Kenya with a project organized by the Brussels-based European Journalism Centre and paid for by the Dutch government.

like poverty reduction, health and the empowerment of women.

'Quick wins'

The 11 villages that comprise the Sauri cluster are home to an estimated 75,000 people, covering an area of 132 square kilometers. Some 98 per cent of households are engaged in some form of farming.

The jump in Wilfreda's maize yield may seem remarkable. Yet it is about average for participants in the programme. The overall average yield is up threefold. Partly as a result, chronic infant malnutrition is down significantly. "The seeds and fertilizer gave us some quick wins," says Jessica Massira, the project team leader and cluster manager.

With yields on the upswing, the programme has been able to focus on diversification, providing farmers with multiple income streams that flow at different times of the year, thus cushioning them against low prices during the post-harvest glut.

"Farmers need food but they also need money," says Ms. Massira. "With horticulture, dairy farming and fish farming, farmers can quickly pick up extra cash. We have had remarkable results." As Willy Diru, agriculture coordinator, put it, "After food security, we started working with a range of enterprises. Onions, tomatoes, cabbages and chili peppers — there is also a cooperative for fresh produce."

School lunches, mosquito nets

With better and more diversified yields, farmers are contributing to a school lunch programme that is credited with helping to boost school attendance to 94 per cent in the Sauri project area. Kids around the world may often hate going to school, but for poor kids and their families in rural Africa, "attendance for lunch" seems a reasonable trade-off.

Statistically verifiable gains extend beyond agriculture and its spin-offs. Communities have protected over 200 springs, which serve drinking water to more than 26,000 people. They have built walls and installed pipes to channel drinking water into faucets for collection. Villagers have built fences to keep livestock away from sources meant for human consumption. As a result, access to improved water supplies in Sauri has jumped from under 40 per cent in 2006 to about 90 per cent today.

Health problems are also being addressed. Notable is the reduction in the incidence of malaria with the distribution of mosquito nets and frequent testing by health workers who make home visits. The prevalence of malaria in the region dropped from 45 per cent in 2005 to 7 per cent in 2008.

Varied criticisms

Despite those statistics, the Millennium Development Villages have received a barrage of criticism. Most comes from development workers, social-environmental activists and academics, but it hits from all directions:

- Reliance on imported fertilizer will create dependence on those inputs.
- Intensive agriculture will place strains on the water supply and soil, leading to negative side effects akin to those in India after the Green Revolution.
- Barriers to development that come from outside the villages themselves, notably corruption, are ignored.
- Data that compares progress between MDVs and those that do not receive such aid is scarce, making it hard to evaluate the effectiveness of the effort.
- Too much time, money and attention is focused on too few people.

Exit strategy?

The accusations go on, and often vary according to the ideological or political orientation of the critics. But one issue persists, partly because it is fundamental to the

Keeping records at the Sauri warehouse: Project participants are learning new skills.

Bill Hinchberger

MDV strategy: aid dependence — and efforts to reduce it. The MDVs might be the only large-scale development effort whose proponents truly aspire to develop an exit strategy. But will it be successful?

Success in reducing aid dependence is easier to imagine where independent revenue streams can be created, as with higher agricultural yields and diversification in farming. For example, fertilizer, while donated by manufacturers, is not given to farmers for free. Instead it is provided as a loan that farmers pay back at harvest time. The relationship becomes a commercial one, less likely to foster dependency than handouts. Schools are raising money by allowing people to use their computers to print documents after classes.

However, a visit to Sauri's sister project, the Millennium Cities Initiative (MCI) in Kisumu, the provincial capital, demonstrates just how difficult achieving self-sufficiency can be in the health sector. According to one hospital worker, the Millennium project tops up supplies of things like disposable medical gloves that the government is supposed to provide but does not, either in sufficient numbers or in a timely fashion. Foreigners maintain the ambulances that traverse the territory, and the Israeli government brought its own materials and team to build the sparkling emergency room at the Kisumu hospital. "The Israelis brought in everything and did it all in 17 days," said Belinda Opiyo-Omolo, MCI public health specialist. "I am sorry to say it, but Kenyans maybe would have taken six months. But it was good for the locals to see that if you put your mind to it you can do it."

"Sustainability is a challenge," admitted Ms. Massira, when asked about the health sector. "We realize the need to demonstrate and hand things over to the government and the people. If the people become accustomed to the services, they will demand them from the government."

Bart Knols, chairman of the advisory board of the Dutch Malaria Foundation, has visited Sauri and has extensive experience in Africa. He called the anti-malaria effort "commendable, in the sense that efforts to offer a complete 'package' [drugs, vaccination, health and education] may bear fruit." But he quickly added, "Where I am more skeptical is in the sustainability of this approach when handing over takes place and the Kenyan government has to supply these services."

A school lunch programme supported by farmer contributions is credited with boosting school attendance to 94 per cent in the Sauri project area. Bill Hinchberger

Picking up the ball

Beyond the capacity of governments, another measure of sustainability is whether people in the communities pick up the ball and run with it. There is some evidence that this is happening. For example, farmers who want to try bee-keeping are organized into groups of 10 to work together. The groups choose one member to receive extra training, who then returns to pass along the lessons. Jared Omondi Onyango, Martin's brother, learned how to build and maintain greenhouses with the Sauri project. Now he builds them for others.

The most interesting initiative in community self-sufficiency may be the Manyatta B residents' water task force, which supplies running water to 8,000 households in Kisumu and has been adopted as a partner by the MCI. After an initial grant from the French government, the community organized itself to build and run the system. They charge themselves a fair price, but one considerably lower than the rates commanded by private water truck operators. The revenue allows them to maintain the system, with enough cash left over to train and hire locals to run it.

Among international observers, the jury may still be out on the Millennium Development Villages. But for the most part local people seem positive. "I think they will succeed because the programme was made to last," comments Stephen Onduu, procurement officer at the Kisumu hospital. "They will succeed if they sit down the community and talk about the exit strategy."

Lesotho's economy catches flu — from big brother's sneeze

Hard times trigger policy review

By Masimba Tafirenyika Maseru

For decades the tiny landlocked mountain kingdom of Lesotho has relied heavily on its giant neighbour, South Africa, to advance — until now. South Africa's economic difficulties are placing Lesotho's economy at a crossroads, as the government struggles to push big rocks up the mountain to balance the national budget.

There is plenty of evidence of South Africa's heavy presence. It employs thousands of Basothos (nationals of Lesotho) as migrant labour, buys water from a project that in turn generates enough electricity to meet Lesotho's needs and generously shares revenue from a customs union that contributes significantly to the tiny kingdom's budget. Moreover, South African companies are active in other sectors, including retail trade, insurance and banking.

Now the economic outlook is shifting as the rocks slip back down the mountain. Despite modest gains over the years, Lesotho remains one of the world's poorest countries. The 2011/12 budget was "the most difficult the government had to put together," reckons Finance Minister Timothy Thahane. His worries include a slowdown in economic growth, rising unemployment and diminishing revenues from migrant workers who are losing jobs in South Africa. Lesotho also faces declining agricultural production, falling life expectancy and high HIV infection rates.

As if all this were not enough, a dip in South Africa's economic fortunes has forced Lesotho to rethink how to navigate the economy. It is wrestling with a 30 per cent decline in domestic revenues and a monstrous 15 per cent budget deficit in the 2011/12 financial year. The government expects to fund the gap with loans from international financial institutions and foreign aid from donor partners.

Declining remittances

A steep decline in last year's takings from the Southern African Customs Union (SACU) punched the biggest hole in the budget. SACU, the oldest customs union in the world (it recently celebrated its hundredth anniversary), maintains free trade among members — South Africa,

Garment factory in Lesotho's capital, Maseru: With some companies already closing because of weak global demand, there are some worries about impending changes in US trade regulations.

Panos / Robin Hammond

Botswana, Lesotho, Swaziland and Namibia — and charges non-members a common external tariff. Revenues are shared among members from a common pool run by South Africa under an agreed-upon formula. Since 1969, SACU receipts have been contributing more than half of Lesotho's budget revenues.

"As a country, we were overly aware that about 60 per cent of the government's budget is funded by SACU," Central Bank Governor Retselisitsoe Matlanyane told a local magazine, *Visions*, in early 2011. Thanks to the recent global financial meltdown, trade among SACU members has fallen considerably, cutting by half Lesotho's customs receipts.

Worse still, dwindling remittances from migrant workers in South Africa have dealt another blow. With an economy inextricably linked to a neighbour that geographically encircles it, Lesotho is highly dependent on these remittances. The World Bank's *Migration and Remittances Factbook 2011* shows that out of Lesotho's 2.1 million people, about 457,500 were living outside the country in 2010. As the largest source of foreign exchange, remittances contribute an estimated US$525 million or 30 per cent of Lesotho's GDP in 2010, says the report.

Despite the current upsurge in global mineral prices, there has been a mild recession in South Africa over the past few years. That in turn has had a major impact on Lesotho by forcing employers, especially mining companies, to retrench thousands, including Basotho migrants — thereby cutting the remittances they send back home.

More budget red ink

The textiles industry too has taken a beating. Low demand for garments in the US has shrunk earnings and contributed to the red ink in the budget. Under a US law, the African Growth and Opportunity Act (AGOA), Lesotho has emerged as one of sub-Saharan Africa's largest garments exporters to the US. AGOA allows qualifying African countries to sell textiles duty-free to the US. Yet a strong South African rand — to which Lesotho's national currency, the loti, is pegged — has hurt the competitiveness of Lesotho's second largest employer.

Furthermore, authorities worry about the potentially negative impact on the textile industry if a clause in the AGOA law is not renewed when it expires in September 2012. The clause permits AGOA-eligible countries, especially Lesotho and Kenya, to source fabrics from third-party countries such as China and still benefit from AGOA.

"I believe our main challenge will be the expiration of [AGOA], given that the textile industry currently employs 45,000 in the country," said the Central Bank governor, Mr. Matlanyane. Earnings from textile exports make up a fifth of Lesotho's GDP. Already, some garment manufacturing companies have closed because of weak demand.

The picture from agriculture is even less reassuring. Three in four Basothos eke out a living from subsistence farming. But the contribution of grain harvests to the GDP has dropped sharply from 4.8 per cent in 2000 to a measly 1.8 per cent in 2010, says Mr. Thahane. The UN has warned that crop production "is declining and could cease altogether over large tracts of the country if steps are not taken to reverse soil erosion, degradation and the decline in soil fertility."

Selling 'white gold'

Despite the litany of economic hardships, Lesotho has until now done reasonably better than some in the neighbourhood, like Swaziland and

Building one of the tunnels of the Lesotho Highlands Water Project, which supplies water to South Africa and is one the mountain nation's biggest sources of income.

Alamy Images / qaphotos.com

Zimbabwe. There are a few silver linings, which, if current policies to steer the economy in a different direction succeed, could change fortunes.

To its credit, the government now realizes the hazards of relying too much on traditional sources of revenue. In his budget speech, the finance minister unveiled new policies to revive agriculture, diversify export products and markets and attract investors by relaxing foreign investment laws. Still, such policies can bring relief only if the economies of the country's key trading partners — the US, European Union and South Africa — recover.

Water is Lesotho's "white gold," as Basothos fondly call it. Income from the sale of water from the Lesotho Highlands Water Project is expected to increase with the construction of the Metolong Dam and its spin-offs.

Under the water project, created in partnership with South Africa, Lesotho exports water to its neighbour's Gauteng province through a series of dams and tunnels blasted through the mountains. Gauteng, the hub of South Africa's economy, has little water of its own and therefore needs Lesotho to quench its thirst. As a double benefit, the multi-billion-dollar project also generates enough hydroelectric power to meet about 90 per cent of Lesotho's energy needs.

Diamonds spark hope

Lesotho could also count on a decent windfall from mining exports as global mineral prices continue to go up. Income from diamonds, while still negligible, is growing. The government plans to generate additional funds by cutting and polishing the diamonds at home, which is a departure from current practice.

Further, a modest rise in SACU revenues is predicted for 2012. Its scope, however, will depend largely on a new revenue-sharing formula now under review. Also, US lawmakers have introduced a bill to extend AGOA. If, as expected, the bill is passed, Lesotho will be assured of a steady flow of income from textile exports to the US, assuming the latter's economy continues to recover.

Lesotho has likewise shown renewed interest in attracting investors. The World Bank's 2011 *Doing Business* report, which ranks countries' business-friendly policies, grades Lesotho at a dismal 138 out of 183 countries. If it relaxes business restrictions, the government could easily lure investors into the mining, textile and retail industries.

Nevertheless, huge challenges lie ahead, including the likelihood of yet another global recession, which could upset many of Lesotho's well-crafted economic plans. But at least for now, the tiny mountain kingdom appears to have grasped the perils of unbridled reliance on South Africa's magnanimity.

Lesotho and the UN: partners in development

Perhaps not surprising, Lesotho is one of the countries not expected to achieve the Millennium Development Goals (MDGs) by the 2015 deadline. The goals are a set of eight economic and social targets agreed upon by world leaders at the turn of the new millennium. They include targets for reducing poverty and hunger; providing better access to health care, water and education; creating equal opportunities for women; and protecting the environment.

With just three years to the deadline, Lesotho's scorecard ranks it unimpressively below average: it is on track to meet two of the eight goals (education and women's rights), showing painfully slow progress in three (HIV/AIDS, environment and global partnerships) and off track on another three (poverty reduction, maternal care and child health).

Fighting HIV/AIDS and reducing poverty rank high on the list of priorities, the UN's resident coordinator in Lesotho, Ahunna Eziakonwa-Onochie, told *Africa Renewal*. "With those at risk [of HIV infection] constituting the bulk of the workforce, it's very difficult to imagine a successful development path without reversing the trend of new infections," she notes with concern. Her worries are not misplaced — with about one in four Basothos living with HIV, Lesotho has the third-highest infection rate in sub-Saharan Africa.

Still, Ms. Eziakonwa-Onochie credits Lesotho as a "shining example" in a few important areas: high literacy rates, a large labour force and the use of government subsidies to farmers to boost crop production. Yet economic dependency on its rich neighbour renders Lesotho vulnerable to external shocks and unable to take advantage of global trade openings.

"The government is committed to economic reforms, but it lacks the resources to address its problems," she said. There is limited money from the national budget to fund critical sectors and donors have not been quick in loosening their purse strings. In addition to giving financial and technical support to HIV/AIDS projects, the UN also has "a heavy footprint" in the government's efforts to revive agriculture.

The UN gives policy advice on electoral laws, including the recent Electoral Reform Act of 2011. And more than a dozen UN bodies operate in Lesotho, assisting the government in areas that range from promoting good governance to executing various projects to reduce poverty, protect the environment and — not least — help Lesotho reach the MDGs.

'In 10 years, NEPAD has achieved a lot'

NEPAD@10

Ibrahim Mayaki, head of Africa's partnership initiative

In July 2001, African leaders adopted the New Partnership for Africa's Development (NEPAD), the road map for the continent's development. The following year a resolution of the UN General Assembly supported NEPAD as the main channel for UN assistance to Africa. More recently, in January 2010, the NEPAD structures were fully integrated into the African Union as the NEPAD Planning and Coordinating Agency. Since its adoption a decade ago, how much has the plan achieved? In a frank, plain-talking interview, Ibrahim Assane Mayaki, the chief executive officer of the NEPAD Agency, responded to *Africa Renewal*'s André-Michel Essoungou.

Africa Renewal **Ten years after the adoption of the New Partnership for Africa's Development (NEPAD), what is your assessment of it?**

Ibrahim Assane Mayaki There are three major ways in which NEPAD may be assessed. First, NEPAD is the only development initiative available on an African scale. It has been with us for the past 10 years, yielding conclusive results in areas such as

Ibrahim Assane Mayaki, CEO of the NEPAD Planning and Coordinating Agency, during a week of events in New York in October 2011 to mark the plan's 10th anniversary.

Africa Renewal / John Gillespie

science, technology, agriculture and infrastructure. Ten years on, the initiative has just been relaunched with its recent integration as a development agency in the structure African Union. I am not aware of any other African initiative that has lasted this long and relied on a formal, institutionalized framework such as this one, with a mandate focusing on issues of implementation.

My second point is that NEPAD is directly responsible, from the start, for some of the most important development strategies implemented in key areas such as agriculture, with CAADP [Comprehensive Africa Agriculture Development Programme], or infrastructure, with PIDA [Programme for Infrastructure Development in Africa], areas that are also deemed to be of the utmost priority. The fact that all African countries strive to implement the rules and norms of both strategies at the level of our continent is a great achievement.

My third point, little known though eyed with envy by Europe as well as other regions, has to do with the African Peer Review Mechanism (see page 18). This original approach is about evaluating political or economic governance in countries that are willing to be assessed. It is a unique experiment, unmatched by any other region anywhere in the world.

AR Still, there are many people, particularly in Africa, who wonder what NEPAD is and what use it is.

IAM The problem is that many Africans spend too much of their time repeating what the Western media says about the continent and about us. It will take some time to ward off this colonial way of thinking. Obviously, when you watch the way Africa is treated on a major news channel like CNN, the feeling is that Africa is plagued by misery and ruled by inept and corrupt leaders who hardly give any thought to the greater public interest. Many among us Africans tend to repeat what CNN and others have to say without taking a step back and reflecting about what we just heard. We seem to wallow in a kind of self-disparagement. Nowhere else is such an attitude so widespread than on our continent.

Unfortunately, this self-disparaging attitude does have a negative impact. We cannot afford to keep on offering our children a negative image of Africa. We need to put things into perspective. A country like Rwanda has made significant progress while reducing its reliance on foreign aid. By mobilizing its own resources, Cape Verde has succeeded in becoming a middle-income country. Judging from the design and implementation of its new constitution, Kenya is now making significant progress in terms of governance. Botswana refuses to appeal for foreign aid, with many other countries following its example.

AR But to return to NEPAD, the plan remains an abstraction for many ordinary Africans. Why?

IAM NEPAD remains an abstraction because people do not know what it's achieved, since NEPAD's achievements were not communicated. This has to do with the wider issue of public information about Africa.

If you look at one of our most recent publications reviewing NEPAD's achievements over the last 10 years, you will note that we succeeded in the many areas I mentioned earlier, and on many other issues as well. All this is little known. We need to develop strategies to increase the awareness of our achievements in the public. It is a major challenge.

AR Let's speak in practical terms about two challenges that Africa

Railway line in Angola: NEPAD emphasizes building up Africa's transport and other infrastructure links to promote trade and closer integration among African economies. Alamy Images / Zute Lightfoot

is facing at the moment: famine in the Horn of Africa, and the lack of political change, which has at times resulted in revolution, as in North Africa. What does NEPAD have to offer to face up to these challenges?

IAM First on the issue of political change and democratization, let me say one thing: the number of countries organizing democratic elections in Africa rose sharply in the last 15 years. Also, across the continent, there are only seven countries facing very serious governance issues, out of a total of 54. But all we hear about is those seven countries with problems, not the 40 or so other countries that are better rather than worse off.

About the famine threatening the Horn of Africa and the question of food security across the continent: let us not forget that most of our countries have seen their population multiplied five times in the past 50 years. Most countries also succeeded in reaching levels of agricultural production that were unheard of 20 years ago. Obviously famine is an issue, but if you look at the 54 countries of Africa, less than a dozen countries are actually concerned by the problem.

More important still, in the last five or six years, investments in the agricultural sector are on the rise. There is still a long way to go at the political level, or in terms of resources and the way these resources are shared, or as to how producers may take part in the definition and implementation of policies. But we're on the right track.

AR Upon hearing such arguments, many would be tempted to say that you're overly optimistic. How do you respond?

IAM I am mainly realistic. I am trying not to overdo it, but my feeling is, quite simply, that when it comes to African issues, people tend to shun the more realistic approach because of the vision of Africa that is continuously being forced down our throats.

Africa has two major advantages: it possesses the most important pool of natural resources and has the youngest population in the world. It is the continent of the future. And if we do not want Africa to play its role, the trick is to instill in the elites the idea that they are incompetent, corrupt and responsible for all the misery around. This is certainly not true.

AR One last question, on the ideological choices of NEPAD: many analysts have noted that it draws mainly from capitalist, even free-market tendencies. Capitalism has been a formidable tool geared towards the production of wealth. It has also generated sharp inequalities. Wealth on the one hand, poverty on the other. Is this the direction the continent is taking under NEPAD?

IAM I have often heard these arguments, but they are not in the least justified. The impression that NEPAD is a neoliberal programme stems from the fact that, when the active minority of leaders pushed for its creation, they sought recognition from the world's most industrialized nations, the G7 (and G8 thereafter). This resulted in some confusion in terms of public information, as many people were led to think that if NEPAD was recognized by the G8, its philosophy had to be neoliberal. Since then the suspicion and accusation have stuck, in a way.

But NEPAD is not a neoliberal project. It claims that for African agriculture to develop, regional markets should be created and, in turn, protected. This means that a number of different economic approaches are part of the project, such as protectionism. NEPAD also says that for the benefit of its own development, Africa should reintroduce planning as part of its economic policies. This is not what I would call "neoliberal" in terms of policies. I should also add that NEPAD claims that the free market has demonstrated its limits, and that it has become necessary to reinvent a development state in Africa. You will agree with me that this does not have much to do with a neoliberal approach either.

NEPAD anniversary marked in New York

Beyond the varied projects and programmes initiated across the continent under the New Partnership for Africa's Development (NEPAD), the plan is also seeking to rebuild African countries' capacity for "strategic thinking," which had been seriously eroded during many years of economic decline and austerity, NEPAD CEO Ibrahim Mayaki told a high-level panel discussion in New York on 7 October.

Joining him on the podium and addressing different aspects of NEPAD were a number of other UN and African dignitaries, including Under-Secretary-General and Special Adviser on Africa Cheick Sidi Diarra, Deputy Secretary-General Asha Rose Migiro, Amos Sawyer, member of the African Peer Review Mechanism Panel of Eminent Persons, and Amos Namanga Ngongi, president of the Alliance for a Green Revolution in Africa.

The panel was just one of several events to mark NEPAD's 10th anniversary, organized by the NEPAD Agency, the UN Office of the Special Adviser on Africa and the UN Department of Public Information. There were special briefings to African ambassadors and UN agencies, the General Assembly's consideration of two reports by the Secretary-General on NEPAD and the causes of conflict in Africa and a commemorative lecture by Mr. Mayaki at Columbia University on "Africa's Decade of Transformation."

'A common vision for agriculture-led growth'

NEPAD adds value to Africa's farming sector, says Glenn Denning

Glenn Denning is director of the Centre on Globalization and Sustainable Development at Columbia University's Earth Institute in New York, and was previously director of the Millennium Development Goals (MDG) Centre in Nairobi, Kenya. He talks to *Africa Renewal* about the role of the New Partnership for Africa's Development (NEPAD) in strengthening the continent's agricultural potential.

Africa Renewal What has been NEPAD's contribution to Africa?

Glenn Denning I was living in Africa when NEPAD was established in 2001, and I closely observed its role evolve during the past decade. The concept made good sense. Africa could finally project a common voice on development issues and support a common vision for agriculture-led growth. That voice and vision made it easier to engage with international development partners, including the newcomers from emerging economies.

Looking back, I see the Comprehensive Africa Agriculture Development Programme (CAADP) as an important achievement [see *Africa Renewal*, April 2011]. Initially, many saw CAADP as an extra layer of bureaucracy in agricultural planning. But strong and consistent advice on how to design and plan agricultural investments led to increased credibility and greater acceptance of CAADP's added value. Without doubt, the best proposals submitted to the recently established Global Agriculture and Food Security Programme (GAFSP)* were those with a CAADP Compact that aligned multiple stakeholders to country-led agricultural strategies and plans.

AR How can NEPAD contribute better to Africa's development?

GD Agriculture remains underdeveloped in Africa. With the right investments and policies, the continent could easily feed itself and export food to other parts of the world. NEPAD could provide an important and unique contribution by promoting international partnerships to remove the scientific, infrastructure and policy bottlenecks to agricultural production. Agricultural research capacity and output have stagnated or, in many countries, have weakened over the past 25 years.

NEPAD, through CAADP, can provide the platform for sub-regional, multi-country research. Sustainable land and water management in a setting of climate change must be central to that research agenda. The other major bottlenecks relate to markets. Intra-African trade can be greatly improved through initiatives to improve physical infrastructure and to reduce formal and informal cross-border trade barriers. NEPAD should also promote and facilitate regional strategic grain reserves to help mitigate the impacts of climate- and conflict-induced food shortages.

AR Do you share the view that NEPAD is still a remote and vague project for most Africans?

GD With its reorganization from a secretariat to an executive agency, NEPAD's development contributions and visibility will likely improve. Agriculture is central to the lives and livelihoods of most Africans. By engaging professionally and substantively in the agriculture and food sectors, NEPAD can become better known as a valued partner in advancing food security and rural growth.

But to be effective, the agency will require people and funds. The big test for NEPAD in the coming years will be its ability to attract and sustain support from African governments. With the current resources boom, there is really no excuse. The challenge for governments and NEPAD is to channel those new resources into investments that benefit the continent's hungry, poor and underserved. Done effectively, the marking of NEPAD's second decade will be an even greater cause for celebration.

More investment is needed to increase the productivity of African farming.

Africa Media Online / Brandon Fisher

*The Global Agriculture and Food Security Programme is a multilateral funding mechanism for developing countries established at the request of the 2009 summit of the Group of 20 leading economies. At the end of August 2011 it had $557 million in funding and was active in 12 countries, half of them in Africa.

NEPAD on the ground

Concrete action in five key areas

Over the past 10 years, the New Partnership for Africa's Development (NEPAD) has launched a number of bold and innovative programmes. In some instances the plan is already scoring notable yet underreported gains. *Africa Renewal* highlights NEPAD's impact in five key areas.

With funding from Spain, NEPAD has launched projects that include training women in information and communications technologies and other vocations.

Africa Media Online / Ahmed Jallanzo

1. CONNECTING THE CONTINENT

Connecting African countries by broadband optical fibre

Through its ICT Broadband Infrastructure Programme, NEPAD aims to connect all African countries to one another and to the rest of the world by broadband optical fibre. To this end two cable systems, one submarine (Uhurunet) and another terrestrial (Umojanet) are currently being built. Uhurunet, representing an investment of around $700 million, is scheduled for completion in 2012.

NEPAD has also launched the e-Schools Initiative, to improve the quality of teaching and learning in African secondary and primary schools using information and communication technologies (ICT). Sixteen African countries and more than 80 schools participated in the NEPAD e-Schools demonstration project. Each school was equipped with a computer laboratory containing at least 20 PCs, a server and networking infrastructure and peripheral devices such as scanners, electronic whiteboards and printers.

To date, many challenges remain. But the NEPAD Agency and its partners are striving to address these in preparation for expanding the initiative across the continent.

See: www.eafricacommission.org

2. EMPOWERING AFRICAN WOMEN

Advancing women's economic capacities and opportunities

Created in 2007 with funding from the government of Spain, the NEPAD Spanish Fund for African Women's Empowerment promotes efforts to eradicate poverty and advance women's economic capacities and opportunities.

A total of €6.285 million (around $8.5 million) has been disbursed to 46 projects in 23 countries. So far 31 of those projects have been completed. Their results have included an increase in the number of women and girls trained in vocational skills such as ICT, the creation of employment opportunities and improved income-generating activities for women, the establishment of microcredit schemes, and an increased awareness of gender-based violence, as well as the creation of mechanisms to address the problem.

Recently the fund allocated €2 million (around $2.7 million) for setting up a Business Incubator for African Women Entrepreneurs in Eastern, Southern and Western Africa.

See: www.nepad.org/humancapitaldevelopment/womenempowerment/about

3. FEEDING AFRICA

Pushing for changes in agricultural strategies

With its Comprehensive Africa Agriculture Development Programme (CAADP), NEPAD is pushing for substantial changes in agriculture. The programme's focus is on helping African countries improve economic growth through increased investment. CAADP's key goal is for 10 per cent of all national budgets to be invested in agriculture. As of May 2011, 26 countries had signed the CAADP compact and incorporated it into their agricultural strategies. Eight countries now exceed the 10 per cent budgetary target and most others have made significant progress towards that goal. To date nine countries have exceeded CAADP's target of an average annual agricultural growth of at least 6 per cent.

NEPAD has also put in place or supported various programmes, including the Partnership for African Fisheries (PAF), to guide continent-wide reforms in the fisheries sector. Besides helping countries design regional fisheries plans, PAF is currently implementing a pilot project in Ghana and Sierra Leone, with a budget of around $3 million. Its total budget for 2009–2014 is more than $11 million.

The Fertilizer Support Programme has led to an increase in the number of small-scale farmers across Africa using chemical fertilizers to enhance crop yields. And in 2005 NEPAD launched a regional initiative, TerrAfrica, to improve land management.

See: www.nepad-caadp.net; www.africanfisheries.org; and www.nepad.org/foodsecurity/fertilizer-support-programme/about

4. BRIDGING AFRICA'S INFRASTRUCTURE GAP

Establishing a strategy for developing infrastructure

Launched in July 2010 at a summit of the African Union in Kampala, Uganda, the Programme for Infrastructure Development in Africa (PIDA) aims to establish a strategy for developing regional and continental infrastructure in transport, energy, water management, and information and communication technologies. PIDA will guide policies and investments in these sectors from 2011 through 2030. It brings together into one coherent programme previous continental infrastructure initiatives such as the NEPAD Short-Term Action Plan, the NEPAD Medium- to Long-Term Strategic Framework and the AU Infrastructure Master Plan.

The PIDA budget, estimated at €7.8 million (around $10 million), is financed by the European Union, the Islamic Development Bank, the African Fund for Water and NEPAD. The African Development Bank is responsible for implementing the programme.

See: www.pidafrica.org

5. IMPROVING ACCESS TO LOCAL MEDICINES

Encouraging local production of medicines

Adopted by a summit of the African Union in 2007, the Pharmaceutical Manufacturing Plan for Africa aims to encourage local production of medicines, which currently are largely produced by foreign pharmaceutical companies. It supports African countries in designing strategies and building skills to engage in and promote indigenous pharmaceutical innovation. Toward this end, NEPAD has published a strategic document, *Strengthening Pharmaceutical Innovation in Africa.*

See: www.nepad.org/humancapitaldevelopment/health/about

Medicines to prevent mother-to-child transmission of HIV: Most pharmaceutical products in Africa are currently produced abroad, while NEPAD aims to promote greater domestic manufacturing and innovation.

Panos / Jenny Matthews

'Peer pressure can be powerful'

Interview with Amos Sawyer, African Peer Review Mechanism

In 2003 the New Partnership for Africa's Development (NEPAD), the continental development plan, initiated the African Peer Review Mechanism (APRM). Since then 30 countries have joined the voluntary arrangement. Members have their governance practices reviewed through national consultations and discussions with APRM review panels and African heads of state. How well has this process been working, and what lies ahead? A member of the APRM's Panel of Eminent Persons, Amos Sawyer — who was Liberia's interim president in 1990–94 and currently chairs that country's Governance Commission — spoke with *Africa Renewal*'s managing editor, Ernest Harsch. (For the full interview, see *Africa Renewal* online.)

Amos Sawyer: "We need to encourage and strengthen civil societies."

Africa Renewal / John Gillespie

Africa Renewal Since the democratization wave of the 1990s there have been many different governance initiatives in Africa. What's unique about the Peer Review Mechanism? What does it add?

Amos Sawyer It adds several things. First, it is a self-assessment, done by the country itself, in an all-inclusive way: government, civil society, the business community. Second, it is a peer review. It is held by the African governments themselves. Peers from outside sit together with the leadership of the country. That engagement involves constructive criticism, illustrations of best practices. But it doesn't end there. A programme of action is formulated, and the head of state being reviewed has an obligation to come back to his colleagues every two years to report on the progress that has been made.

It is slow. It is not confrontational. But a country that does it right has windows opened for the international community to support its development programmes. It strengthens its systems of governance, because the very methodology compels countries to engage with their own constituencies.

AR You have spoken about the peer review as putting into practice the spirit of the Arusha Declaration of 1990.*

AS Yes, I think so. The 1990 popular participation conference urged bringing out the human potential in the developmental process, that trade unions, farmers' groups, all should be involved in governance. We should move beyond thinking about "the government" and start thinking about "governance," which admits the interaction of various constituencies of people. The peer review is giving some practical implementation to that.

AR You have people on the peer review Panel of Eminent Persons who come from civil society, but at the end of process the review goes to African heads of state for approval. Do you see any tension there?

**The African Charter on Popular Participation in Development and Transformation, also known as the Arusha Declaration on Popular Participation, was adopted at a conference of 500 African civil society, government, donor and UN representatives, organized by the UN in Arusha, Tanzania, in February 1990.*

AS Yes. In fact we are working on that. One of the issues suggested by civil society groups in Africa is that the review process at the level of the heads of state should either take place with the involvement of civil society or there should be a concurrent process where civil society would have its own take on the report. I wouldn't be surprised if in a few more years we see some changes.

AR In some countries civil society groups complained that those who were able to participate in the peer review were mainly government-approved.

AS You have a mixed bag of cases. There are some countries in which civil society is not only well organized, but has demanded and therefore achieved a presence in the political process. In other places civil societies are still fighting to get a seat at the table and organizing themselves to build their capabilities. Where there is weak civil society input, we note that very strongly in all of the reports. And in the programme of action we will note that civil society empowerment is a major project that should be undertaken.

AR The most recent accession to the APRM is your own country, Liberia. Do countries coming out of war need a little time to settle before a peer review would be useful?

AS I think it's just about the right time for Liberia. A country coming out of conflict needs to put its institutions right. And it's good when you are newly establishing your institutions for them to conform to the standards that are required by the peer review process. The legislature, for example, should be free from executive control. Legislators should undertake their constituency responsibilities seriously. The judiciary should be independent and well funded, giving people access. Civil society participation should be respected. And [the peer review] can help us correct whatever we are doing that may not be done properly.

Riot police in Nairobi, Kenya, during the country's 2007-08 post-election violence: If the government had followed the recommendations of the APRM report, such violence may have been avoided

Alamy Images / George Philipas

AR How do you know the APRM is having an impact?

AS How do we know the APRM is working? Sadly, we know all too soon when it is not working. At the 2006 review of Kenya, four or five critical issues were singled out in the report. Those came back to haunt us, with the electoral violence [in 2007–08]. Now, from the office of the president down to civil society, they all say that if they had followed the report they could have avoided many problems.

In South Africa we raised the issue of xenophobia. I was not a member of the panel, but a consultant in the preparation of that report. At first there was denial. At many sticking points the South African government felt that we were wrong. But the panel member who was in charge of the process stuck to the report and it went through. South Africa has now come around to the problem [of xenophobia], unfortunately after it blew up [in violence in 2008].

AR Thirty countries have acceded to the APRM, but only some have gone through a full review. What is the problem?

AS Thirty countries have acceded, 14 have completed. Another two are on the way and by January will be finished. Another, Tanzania, has invited the commission to come in, and that will be done. We are told that Gabon, the Republic of Congo and Liberia are preparing. So we still have quite a few to work on, at least 10 or so.

We have recently come up with a policy of reengaging those countries that have not been forthcoming. We are planning visits to see how we can get them to move forward quickly on the peer review process. Now, that's still just 30 out of Africa's 54 states. So we have a lot of work to do with those that have not shown any interest at all. We encourage African leaders to join their colleagues. I think such peer pressure can be more powerful than many other pressures.

I know that this idea of a peer review comes against the background of an Africa in which we see some of our leaders are authoritarian, some are participating in corruption. While some of this is true, I think the idea of involving African leaders themselves in a transparent process of self-examination and peer review has some strong merits. It can produce significant results that are beneficial for Africa. We need to encourage this process. We need to encourage and strengthen civil societies so they become significant players. In this way we can build our democratic systems and governments.

Improving Africa's governance, before it's too late

Peer review opening avenues for citizen engagement

By David Mehdi Hamam and **Ben Idrissa Ouédraogo**

The ongoing agitation in Africa triggered by the "Arab Spring" demonstrates yet again the importance of good political and economic governance for the continent's development. Through their street demonstrations, Africans are expressing their will to reassert control over their own destinies. They are struggling for dignity, freedom, genuine social justice and access to economic opportunities.

The Arab Spring has dramatically shown that economic performance alone is not enough in the long run. After all, Tunisia, Egypt, Libya, Algeria and Morocco were among the fast-growing "African lions" (analogous to the Asian tigers).

Voting in Juba, South Sudan: The Peer Review process not only assesses member countries' electoral systems, but also a broad spectrum of political and economic governance issues. Panos / Sven Torfinn

As leading development practitioners emphasize, economic prosperity and political freedom must go hand in hand.

African leaders understood this when they launched the New Partnership for Africa's Development (NEPAD). To more specifically promote good governance, human rights and sound economic management they then initiated the African Peer Review Mechanism (APRM) in March 2003.

Innovative and inclusive

The APRM, one of the most innovative facets of NEPAD, is a voluntary self-monitoring mechanism by which African leaders subject their policies and practices to peer review by other Africans in four related areas: democracy and political governance, economic governance, corporate governance and socio-economic development.

The reviews are comprehensive and inclusive. Consultations are not only in the capital city with government officials but also in the countryside and with representatives from the private sector, civil society, trade unions, parliaments, local councils and so on.

A full peer-review cycle goes through five stages: a country self-assessment; a country review; a review report; the actual peer review – in which review findings are discussed by heads of state at summits of the African Peer Review Forum – and the publication of the report. Fourteen of the 30 countries belonging to the APRM have completed their first peer reviews.

Reviews have pinpointed overarching issues, such as diversity management, electoral violence, land reform, youth unemployment, gender equality and corruption. These suggested the theme of the UN's eighth African Governance Forum, to be held in Johannesburg, South Africa, in 2012: "Democracy, Elections and the Management of Diversity in Africa."

Critical challenges

Yet the APRM is facing critical challenges, including limited financial and human resources and problems in enforcing and implementing the recommendations in the reviews' national programmes of action. Some experts argue that the master questionnaire, used in conducting the review, is not covering enough of issues such as agricultural policy, the informal sector, environmental protection and media freedom.

The recent social unrest could have been prevented if the APRM had been effectively operating and its recommendations had been implemented. These protests have the merit of bringing urgent issues of democracy and freedom to the centre of the political agenda for both Africans and their development partners. The APRM can capitalize on the bottom-up approach promoted by these revolts.

David Mehdi Hamam is chief of the Policy Analysis and Monitoring Unit and Ben Idrissa Ouédraogo is a programme officer at the UN Office of the Special Adviser on Africa.

Dialing for cash: mobile transfers expand banking

In Africa, cross-border remittances by phone overcome bank limits

By Anna McGovern

More people in Africa's poorest countries have mobile phones than have bank accounts. That reality is spurring mobile service companies to explore how they can capture a share of the potential banking market by enabling migrants from these countries to transfer funds back home to their families.

Sending such remittances by mobile phone can be a cheap, efficient and safe alternative to the usual channels of employing money transfer companies or acquaintances traveling to the home country [see *Africa Renewal*, October 2005]. Money can be sent to even remote rural areas quickly, so long as the recipient has cell phone access or can go to a participating business that pays out cash.

The market is a potentially lucrative one, Pieter Verkade, an executive at the MTN telecommunications company, told *Africa Renewal*. Such transfers already are "a well-beaten track, with a lot of migrant remittance money coming into Africa for some time through other channels."

The tec'nology is taking hold especially in countries where established transfer services charge high fees. Kenya's Safaricom and the UK telecommunications firm Vodafone blazed the trail in 2007 when they launched M-Pesa (M for "mobile" and pesa meaning "money" in KiSwahili). Initially just a domestic mobile money service operating in Kenya alone, it has since expanded into an international transfer service for migrants in the UK sending money home to Kenya. Growth of mobile money services in the Kenyan market, where M-Pesa is still the predominant player, has been rapid. By the end of 2010, four mobile phone operators had signed up more than 15.4 million subscribers — more than half of Kenya's adult population — to their mobile money transfer services.

Customers at an M-Pesa counter in Nairobi receiving assistance in making a money transfer by phone.

Associated Press / Sayyid Abdul Azim

Ignored at first

M-Pesa's rapid growth is particularly astonishing since the service was, at first, "virtually ignored by the financial institutions," recalls Bernard Matthewman, chief executive of Paynet, which developed software for M-Pesa that allows cardless transactions at ATMs.

Part of the early challenge in launching the service, says Mr. Matthewman, was convincing banks that people outside major cities were potential customers. "Most importantly, in launching the Paynet cardless ATM service, we had to have an education campaign," Matthewman explains.

There was no reference point for this kind of service. Many of the people M-Pesa hoped would sign up had never used an ATM before, let alone used an ATM without a card. But a cardless ATM transaction can be very straightforward, requiring just a PIN code that is texted to the user and kept active for only a few hours to safeguard the security of the transaction.

In the short time since the launch of M-Pesa, some $100 million has been withdrawn by remittance recipients from PesaPoint ATMs, without the need for bank cards or bank accounts.

Teaming up

The use of mobile money transfers for remittances and small payments, such as school fees and utility bills, has expanded beyond Kenya to other African countries. In South Africa, Vodacom recently teamed up with Nedbank to offer the service for domestic transfers. "Vodacom's existing penetration into the target market — its distribution coverage through outlets even in rural areas — was attractive to us," says Ilze Wagener, an executive at Nedbank.

Mobile money transactions can offer banks a way to reach people in rural markets without the expense of building new branch offices or agency outlets. By May 2011, nine months after its launch, the Vodacom-Nedbank partnership had signed up 140,000 customers in South Africa and set up more than 3,000 M-Pesa outlets and 2,000 ATMs throughout the country. In a country like South Africa, which has people both with and without bank accounts, as well as a range of retailers from very sophisticated to simple, "we have to think about M-Pesa in a very different way," adds Ms. Wagener. The service "has its own unique set of new opportunities and challenges."

In some countries, banks are forming partnerships with multiple telecommunications companies. "The mobile money network we now have in place, through partnerships with four different telecoms companies in Ghana, has enabled us to extend our services to reach customers in every part of the country," Owureku Osare, Ecobank's head of transaction banking in Ghana, told *Africa Renewal*. Mr. Osare described Ecobank's development of a mobile money network throughout Ghana as part of a larger strategy to build up the bank's client base.

For mobile transfers, headaches remain

Despite the rapid takeoff of cross-border money transfer services by mobile phone, companies providing them face a number of difficulties. These include:

Existing market conditions: One factor in the rapid growth of M-Pesa in Kenya was that when Safaricom introduced it, the company was able to capitalize on its near-monopoly position in Kenya's telecommunications market, which gave it a high level of brand awareness. But M-Pesa and other telecoms services have not been able to replicate such rapid growth in some other markets.

Liquidity: In more remote, rural areas, money transfer services may not always have enough cash on hand to pay out to people receiving remittances. To deal with the problem, Owureku Osare of Ecobank in Ghana says that his bank is looking at partnering "with a microfinance institution that already understands that terrain to get the liquidity support to the agents in these areas." In Kenya, Paynet's system of using cardless ATM transactions offers another solution.

Mistrust and unfamiliarity: Many rural inhabitants mistrust or have no access to banks, and are therefore not accustomed to using them. But taking advantage of the wide popularity of mobile phones, some banks and telecoms providers are literally taking their show on the road, sending staff from town to town in even the most remote rural areas to demonstrate how mobile money transfers work. Others train local spokespeople, who earn commissions for signing up customers.

Technical obstacles: Although Ecobank in Ghana operates in 30 African countries, it has not yet been able to find a telecoms company with a single platform hub that would enable the bank to provide mobile money services across national borders.

Varied national regulations: Laws and regulations for sending small cross-border payments vary by country and can be unclear about sending such payments by mobile phone. Kenya's central bank is currently developing draft regulations for electronic money issuers and electronic retail transfers, and Tanzania's central bank has also announced that it is preparing a new draft law to regulate such transactions.

Monitoring: In South Africa, mobile money transfers are so far available only within the country, and all cross-border transactions, even very small ones, must be monitored. Under the country's anti-money-laundering law, only banks and other authorized dealers may carry out cross-border money transfers. This excludes retailers, which are a core part of the banks' mobile money strategy in the domestic market. Meanwhile, the banks themselves are reluctant to engage in multiple small cross-border transactions because it can be costly to report them to regulators.

Reaching the 'unbanked'

There are increasing signs that traditional banking and other financial services are adapting to this new technology and new market in ways that increase financial access for those without bank accounts, the "unbanked." Banks offering mobile money services are encouraging people who may have some money left over from remittances to hold it in "mobile wallets," basic electronic accounts linked to a mobile phone.

"By making it easy for unbanked people to hold money in the mobile wallets linked to their mobile phone numbers, the hope is that eventually the money will find itself in an actual bank account," explains Mr. Osare. In May, Ecobank introduced a mobile savings account that can be linked to a mobile wallet for customers in West Africa.

M-Pesa also provides an interesting case. Last year it formed one of the first partnerships in which a telecoms company and bank teamed up to offer a basic interest-earning savings account, known as the M-Kesho M-Pesa Equity Account. By mobile phone, an M-Pesa user can move money from an M-Pesa mobile wallet to an interest-bearing electronic M-Kesho account, held with Equity Bank.

According to a 2010 report by the Bill and Melinda Gates Foundation, M-Kesho attracted 455,000 new account holders within its first three months, taking off at a faster rate than the M-Pesa service itself had in its earliest stages. In addition to providing a full virtual account managed from a user's cell phone, M-Pesa offers the M-Kesho account holder the opportunity to take out a microloan after several months.

From insurance to 'cash-lite'

Beyond savings accounts and microloans, banks have also begun introducing prepaid debit cards and insurance services to this new market.

Mobile banking services, such as M-Pesa in Kenya, make it easy for people without bank accounts to receive remittance payments from relatives abroad.

Africa Media Online / Felix Masi

Insurance policies that cover funeral costs are now an important financial service in many African markets, but so far they have usually been confined to cities, according to MTN's Mr. Verkade.

With mobile money transactions catching on rapidly in Ghana, Hollard Insurance and Mobile Financial Services Africa joined with MTN in early 2011 to launch mi-Life, a mobile "micro-insurance" service available by mobile phone. "These insurance services make complete use of our technology, so that the entire registration process also happens over the mobile phone," Mr. Verkade explains. With very small premiums, the idea is first to tap into the strong unmet demand for this kind of service in Ghana, including in underserved rural areas, and then to extend the service to other African markets, such as Rwanda.

Partnerships between telecoms firms and banks and other financial service providers can be expected to increase, to serve a rising number of African countries and markets.

Another logical step is to move more in the direction of "cash-lite" — transactions that eliminate or greatly reduce cash in the money transfer system, says Mr. Matthewman. "We're beginning to see that already, where you can buy your prepaid airtime on an M-Pesa phone and send the airtime to another phone user, eliminating the need for paying in cash." In that way, a remittance sender could send prepaid airtime to a recipient, who in turn could exchange the airtime directly for goods or services at participating retail shops.

Computer centre in Mathare, a poor settlement in Nairobi, Kenya. Only one in 10 Africans who access the Internet are able to do so through cheaper, high-speed broadband connections, a gap the UN hopes to significantly reduce in a few years.

Alamy Images / dbimages

UN commission sets broadband targets

Ambitious plan to increase Internet access and speed throughout Africa

For most of the 100 million people who access the Internet in Africa, connections are often slow and expensive. Only one out of every 10 Internet users has access to faster and potentially cheaper broadband connections. Such a situation can and must change, affirms the UN's Broadband Commission for Digital Development.
At a meeting in Geneva, Switzerland, in October 2011, the commission set ambitious targets for all countries. In the 48 least developed countries (33 of which are in Africa) the percentage of broadband users should rise to 15 per cent of the population by 2015, the commission says. For developing countries as a whole, the goal is 50 per cent and for developed countries, 60 per cent.

According to the commission, "the benefits of broadband are profound – in opening up young minds to new horizons through educational technologies; in empowering women ... and in helping family breadwinners find work, a better salary or return on their goods." To improve broadband access, countries should have national broadband plans and adopt favourable regulations, the commission advises.

Although ambitious, the targets are close to some predictions for Africa. Informa Telecoms & Media, a consulting company, suggests that broadband subscriptions, currently standing at 12 million on the continent, will hit 265 million (more than 20 per cent of the population) by 2015. ●

Mobile e-mails get prompt action on sewage spill

Siboniso Hlela lives in Siphumelele Township near Howick in KwaZulu-Natal, South Africa. His house is near a small stream, a tributary of the Umgeni River. Since his house is at the lower end of Siphumelele, whenever there is a sewage breakdown, the sewage flows to his house. This was so bad towards the end of 2010 that for six months a pool of sewage, caused by a breakdown in the municipal sewage supply, prevented him from opening the door of his tool shed. Some friends did not want to visit Siboniso because of the bad smell.

For many months Siboniso tried to ask the authorities for help, without success. But then by using social media and forging contacts with non-governmental organizations (NGOs) and local government officials, he hit on a way to get some action.

Siboniso had heard about the Duzi Umngeni Conservation Trust (DUCT), an NGO concerned with South Africa's rivers. The next time he had a bad sewage spill he took a video of the problem with his ⇒

mobile phone. He then phoned Liz Taylor, a DUCT volunteer. Using SMS (text messaging) they made a plan to meet at his house. When Liz arrived she took some photos of the problem with her mobile phone. Unfortunately, video files are too large to transfer with SMS, so Siboniso taught her how to use Bluetooth (a short-range wireless connectivity standard) to transfer the video of the sewage spill from his mobile phone to hers.

Then on Saturday, 14 February, 2011, Siboniso phoned Liz again — a really bad sewage out-flow was again flooding past his house. Quickly Liz and a colleague from the Wildlife and Environment Society of South Africa, another NGO, took photos of the spill. But it was the weekend and the municipal offices were closed. So at 11 am on Sunday, Liz forwarded an e-mail with the photos of the unhygienic conditions to Sbu Khuzwayo, the district municipal manager of uMgungundlovu Municipality. Just a few minutes later he responded that he would appoint a task team to deal with the matter. The team met on Monday, and developed a plan. Within a week or so the main broken pipes were repaired. ●

This article is adapted from a case study by Liz Taylor, Jim Taylor and Londi Msomi.

NEWS

Africa Watch

In human development, Africa makes slow progress

For some African countries, there is cheery news in the 2011 ***Human Development Report.***[*] Published by the UN Development Programme (UNDP), it ranks countries according to three measures of human development: life expectancy, education and income. In both Kenya and Nigeria extreme poverty has declined due to improvements in water, sanitation, health and other living standards, while Ghana has made steady progress and is now ranked as having medium human development.

The report notes that according to the Human Development Index (HDI, a composite of the three measures), the countries in the lowest 25 per cent of the rankings (including many African countries) improved their status by 82 per cent between 1970 and 2010, twice the average gain worldwide. "If the pace of improvement over the past 40 years were to be continued for the next 40, the great majority of countries would achieve HDI levels by 2050 equal to or better than those now enjoyed only by the top 25 per cent in today's HDI rankings," says the report.

Norway, Australia, the Netherlands, US and New Zealand lead in the global index. The report ranks Libya, at 64, as the highest among African countries. It is followed by Mauritius at 77 and Tunisia at 94. Egypt comes in at 113, South Africa at 123 and Nigeria at 159. The Democratic Republic of the Congo (DRC) is ranked at 187, the very last, and nine other African countries round out the bottom 10.

The report acknowledges that even though a number of African countries have made progress, they still "suffer from inadequate incomes, limited schooling opportunities and life expectancies far below world averages due in great part to deaths from preventable diseases such as malaria and AIDS."

The poor showing by some sub-Saharan countries results in part from a legacy of armed conflict, as in the DRC and Liberia. And progress in poor countries may be reversed by mid-century if efforts are not made to deal with climate change, environmental damage and inequalities, the report notes.

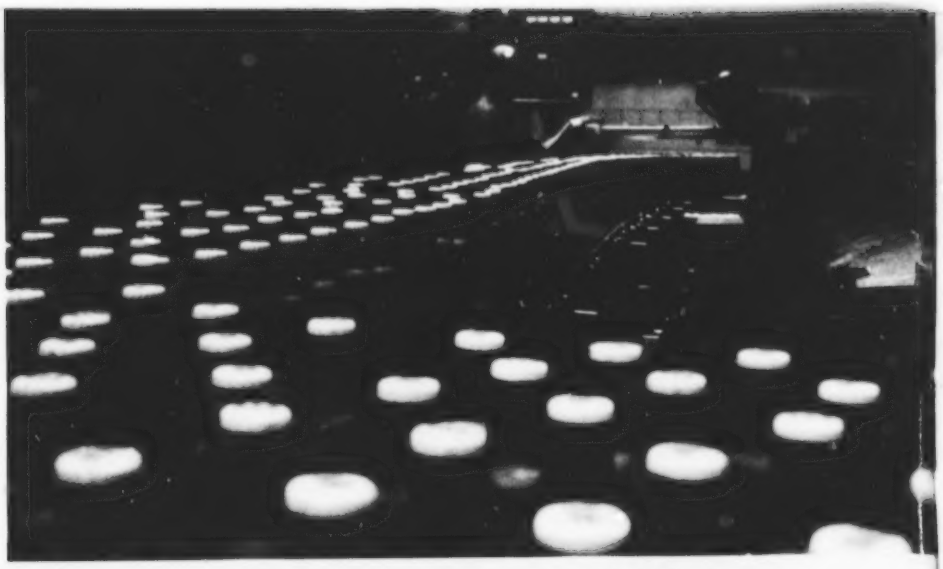
The Gender Inequality Index, a recently introduced indicator, lowered the rankings for some African countries, including the Central African Republic, Chad, DRC, Liberia, Mali, Niger and Sierra Leone, all among the ten least equitable countries. "In sub-Saharan Africa the biggest losses arise from gender disparities in education and from high mortality and the adolescent fertility rate."

The Multidimensional Poverty Index, which examines factors such as access to clean water, cooking fuel and health services (not just income measurements), ranks Niger as having the highest share of poor, followed by Ethiopia and Mali.

The 2011 report covers an unprecedented 187 countries, up from 169 in 2010. This means that the results for 2011 are not comparable to the previous year's figures, the report notes.

[*] *UN Development Programme*, Human Development Report 2011, Sustainability and Equity: A Better Future for All. *Available at:* http://hdr.undp.org/en/mediacentre/report

Business climate improves in sub-Saharan Africa, World Bank says



Technicians inspect beer bottles at a Rwandan brewery: Ease of Doing Business Index names Rwanda as most improved climate for doing business in Africa, ranking just one place behind Spain.

Reuters

Between June 2010 and May 2011, a majority of countries in sub-Saharan Africa made life remarkably easier for businesses, the second-biggest improvement after Eastern European. In its latest Ease of Doing Business Index, the World Bank says that 36 of the region's 46 economies have improved their business environments — a record number since 2005. Six African countries (Rwanda, Burkina Faso, Mali, Sierra Leone, Guinea-Bissau, and Senegal) made the top 15 of the world's most improved business climates.

In Rwanda, the continent's most improved economy for businesses, recent changes included slashing fees associated with starting a business, making credit information more readily available and reducing the frequency of a company's value-added tax filings from monthly to quarterly. Rwanda now ranks 45th overall in the index, just one rank behind Spain. Measures to improve the regulatory environment for local businesses in Africa also included the first overhaul of an 18-year-old system of business laws and institutions common to 16 West and Central African nations.

Despite this positive trend, however, the World Bank notes that sub-Saharan Africa remains the region of the world where starting and running a business is still costlier and more complex than anywhere else.

Appointments

UN Photo / Paulo Filgueiras

The UN Secretary-General has named **Hervé Ladsous** of France as under-secretary-general for Peacekeeping Operations. At the time of his appointment, he was chief of staff in his country's Ministry of Foreign Affairs. After first joining the ministry in 1971, Mr. Ladsous served in a broad range of positions, including in Asia and the Americas. He was France's ambassador to China and deputy permanent representation to the UN. Mr. Ladsous is replacing Alain Le Roy.

UN Habitat / BDIF

Aisa Kirabo Kacyira of Rwanda has been appointed by the Secretary-General as deputy executive director and assistant secretary-general for the UN Human Settlements Programme (UN-Habitat). Ms. Kirabo brings to her position a broad knowledge and experience of more than 15 years in senior management in government and non-governmental institutions. Since February 2011, she has served as governor of Eastern Province, Rwanda's largest province. From 2006 to 2011 she was mayor of Kigali, one of the world's fastest-growing cities.

UN Photo / Evanildo Dodoke

Albert Gerard Koenders of the Netherlands has been appointed as the UN Secretary-General's special representative and head of the UN Operation in Côte d'Ivoire (UNOCI). As his country's minister for development cooperation (2007 to 2010), Mr. Koenders was involved in integrated peace support initiatives in Afghanistan, Burundi, Chad, the Democratic Republic of the Congo and Sudan. At UNOCI, he is replacing Choi Young-jin of the Republic of Korea.

UN Photo / Evan Schneider

Ian Martin of the UK has been appointed as the UN Secretary-General's special representative and head of the new UN Support Mission in Libya (UNSMIL). He previously served as the Secretary-General's special adviser on post-conflict planning for Libya, following other positions with the UN in Côte d'Ivoire, Burkina Faso, Burundi, Ethiopia and the Democratic Republic of the Congo.

Africa Books

Beyond Numbers: Narrating the Impact of Women's Leadership in Eastern Africa, eds. Beverle Lax and Jane Godia (African Woman & Child Feature Service, Nairobi, Kenya, 2010; 116 pp; www.awcfs.org/new/resources/publications/books)

UN Peacekeeping in Africa: From the Suez Crisis to the Sudan Conflicts by Adekeye Adebajo (Fanele, Johannesburg, South Africa, 2011; 60 pp; free at www.ccr.org.za/images/pdfs/un_peacekeeping_synopsis_22aug2011.pdf)

Révolution numérique dans les pays en développement. L'exemple africain by Jacques Bonjawo (Dunod, Paris, France, 2011; 175 pp; pb €19)

And Still Peace Did Not Come: A Memoir of Reconciliation by Agnes Kamara-Umunna (Hyperion, New York, NY, USA, 2011; 320 pp; hb $22.99)

Les droits de la femme et de l'enfant, réflexions africaines by Stéphanie Lagoutte and Nina Svaneberg (Karthala, Paris, France, 2011; 240 pp; pb €29)

Facing Climate Change: Building South Africa's Strategy by Stefan Raubenheimer (Idasa, Pretoria, South Africa, 2011; 168 pp; pb £19.95)

Dancing in the Glory of Monsters: The Collapse of the Congo and the Great War of Africa by Jason Stearns (PublicAffairs, New York, NY, USA, 2011; 400 pp; hb $28.99)

African Awakening: The Emerging Revolutions, eds. Firoze Manji and Sokari Ekine (Fahamu Books and Pambazuka Press, Oxford, UK, 2011; 329 pp; pb £17.95, pdf £14.95)

L'Afrique au futur conditionnel by Mathurin C. Houngnikpo (L'Harmattan, Paris, France, 2011; 284 pp; pb €25, e-book €18.75)

Successes in African Agriculture: Lessons for the Future, eds. Steven Haggblade and Peter B. R. Hazell (The Johns Hopkins University Press, Baltimore, MA, US, 2010; hb $90, pb $45)

Human Rights and African Airwaves: Mediating Equality on the Chichewa Radio by Harri Englund (Indiana University Press, Bloomington, IN, USA, 2011; 308 pp; pb $24.95)

L'Afrique subsaharienne: Une géographie du changement by Alain Dubresson et al (Armand Colin, Paris, France, 2011; 272 pp; pb €26.30)

Has Africa Shed its Third World Status? by Peter de Haan (The Lembani Trust, Lusaka, Zambia, 2011; 132 pp; pb £18.95)

Obasanjo, Nigeria and the World by John Iliffe (James Currey, Oxford, UK, 2011; 340 pp; hb $80)

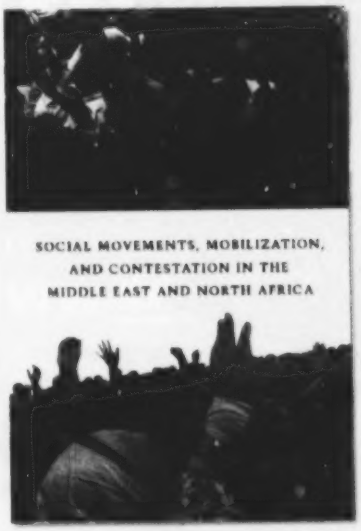
BOOK REVIEW

Social Movements, Mobilization, and Contestation in the Middle East and North Africa

edited by Joel Beinin and Frédéric Vairel (Stanford University Press, Stanford, California, US, 2011; 308 pp; pb $24.95)

When massive social uprisings shook Tunisia and Egypt in late 2010 and early 2011, and then quickly toppled those countries' entrenched autocracies, much of the world looked on in surprise and wonder. Even many people in North Africa and the Middle East — long accustomed to seeing the slightest sign of defiance snuffed out by severe repression — did not expect that those protests would blossom into popular revolutions. But for close observers, including the contributors to *Social Movements, Mobilization, and Contestation in the Middle East and North Africa*, it was becoming increasingly evident in recent years that something was brewing in the region, and that despite the enormous obstacles to public expression, aggrieved sectors of the population were finding ways to organize, make connections and begin pressing for change. The bulk of the research and writing for this volume was completed before the upheavals of the "Arab Spring," and the editors modestly admit that nothing in the book "predicts the insurrectionary movements that erupted in Tunisia and Egypt." But since the book was not yet at press, they were able to add an afterword on the Tunisian and Egyptian events.

Though most of them were writing before the recent dramatic events, the book's contributors nevertheless revealed a rich array of mobilizations that challenged the old simplistic images of a region that was either politically static or



prone to irrational bouts of anti-Western terrorism. The case studies of Egypt, Lebanon, Morocco, Saudi Arabia and Turkey show that workers, unemployed professionals, rural poor, women, relatives of political victims and others were actively exploring very inventive ways of making their voices heard. The studies explicitly address some of the main academic theories of social movements — which generally have been developed in and applied to more industrialized societies in the North — and suggest how those theories work or fall short. A few, especially Beinin's own analysis of Egyptian labour unrest, reinforce an old adage: while revolutions may rarely be predictable, they usually are preceded by foreshocks, even if those precursors may be fully appreciated only in hindsight.

— Ernest Harsch

Investissements pétroliers chinois en Afrique. Conséquences géopolitiques by Robert d'Aboville and Qian Sun (L'Harmattan, Paris, France, 2010; 189 pp; pb €18)

State Building and Democracy in Africa: A Comparative and Developmental Approach by John W. Forje (Nova Science Publishers, New York, NY, USA, 2011; 216 pp; hb $79, pb $43)

The Roots of Political Instability in Nigeria: Political Evolution and Development in the Niger Basin by E.C. Ejiogu (Ashgate Publishing, London, UK, 2011; 250 pp; hb $99.95)

Negotiating at the World Trade Organization by Vinod Rege (Commonwealth Secretariat, London, UK, 2011; 224 pp; pb £20.00, e-book £16.00)

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